

surplus in American history. Budget surpluses were expected to continue for another 10 years when President Bush took office in January 2001.

By 2002, however, President Bush's policies had helped return the unified Federal budget to a deficit of \$158 billion. The budget deficit has since reached historic highs. This year, the budget deficit is expected to exceed \$300 billion. Of course, after this President's fiscal nightmare, that is not even a record. President Bush owns them all—\$412 billion in 2004, \$378 billion in 2003 and \$319 billion in 2005.

Our fiscal problems will only grow worse in coming years as the baby boom generation retires.

In the last 5 years, the gross Federal debt has grown by almost \$3 trillion. And it will exceed \$11.8 trillion by 2011 if we don't do something to change course. And more and more of that debt is owed to people outside the United States. The United States has had to borrow more money from overseas during President Bush's 5 years in office than we borrowed during all previous Presidents combined. By contrast, during the last 3 years of the Clinton administration, the United States paid off more than \$200 billion in debt to foreigners.

History is clear that these rising Federal budget deficits will ultimately cause long-term interest rates to increase. These costs are a hidden tax and will appear in the form of higher interest rates on home mortgages, auto loans, credit cards, and other types of consumer debt. As Mr. Paulson stated in his confirmation hearing, the longer we wait to deal with these fiscal challenges, the more expensive it will be to solve them. At the end of the day, it is hard-working families and our grandchildren who will pay the price for the Republicans' fiscal recklessness.

Unfortunately, the majority's fiscal policy, like its policy in Iraq, is more of the same—more of the same tax breaks targeted at multimillionaires, more of the same huge deficits, more of the same rising debt.

We can't just go on this way, placing greater and greater burdens on our children and grandchildren. I hope that the new Secretary of the Treasury will be aggressive in forcing the administration to confront these pressing economic challenges head on, because more of the same just won't cut it.

We need a new direction.

Mr. FRIST. Mr. President, it is my great pleasure to come to the Chamber to express my strong support for the nomination of my good friend, Hank Paulson, someone I admire tremendously, to lead the Department of Treasury. He is an outstanding choice to be the Nation's top economic policy official.

With 32 years of experience in finance, the last 8 of which he has served as president and CEO of Goldman Sachs, which, as we all know, is one of the Nation's largest financial institutions in the world, Hank Paulson is

eminently qualified to craft and carry out the President's economic policies. Former Treasury Secretary Bob Rubin, who was also Hank's boss at Goldman Sachs, agrees that he is "smart, he's bright, he's thoughtful, and he's intense. He's a very good choice."

Hank will lead with drive, with passion, and a deep understanding of how Government policies affect the capital markets throughout the world as well as America's economic growth. With his detailed and intimate knowledge of global finance and his ability to thrive under pressure, America's economic leadership will be in very capable hands.

Hank Paulson is extraordinarily talented, smart, and hard working. He also happens to be a man of sterling character. Known for his candor and his down-to-earth demeanor, Senator SCHUMER calls Hank a "straight shooter." He has led a life of impeccable integrity.

He grew up on a farm in Illinois. His high marks led him to Dartmouth, where he became a member of Phi Beta Kappa and a football star. He was named All Ivy, All East, and earned an honorable-mention All American. After earning an MBA from Harvard Business School, Hank went into public service as a staff assistant to the Secretary of Defense. In 1974, he joined the Chicago office of Goldman Sachs, where over the next three decades he rose to president and CEO.

Hank understands the macropicture, the global picture, as well as the micropicture, the more intimate, more defined microlevel. He understands the concerns of America's hard-working families and how big decisions here in Washington affect individual lives in a very personal way and in intimate ways and affect those individual opportunities.

He inherits a thriving economy—as cited again and again, a 5.3-percent gross domestic product growth in the first quarter, unemployment at historic lows, 5.3 million new jobs after 33 consecutive months of job gains, and home ownership at historic highs.

He understands that Americans are feeling those challenges in their everyday lives, those challenges of high gas prices, of escalating costs that seem to be skyrocketing out of the average person's reach.

He shares the Republican Party's conviction that we need to continue those progrowth, low-tax policies in order to continue to create jobs and to foster more innovation.

I am confident that under his leadership, America will continue to grow, to thrive, and expand. I look forward to voting to confirm Hank Paulson in a few moments as Secretary of the Treasury and to working with him to keep America moving forward.

At this time, I know of no others who desire to speak on the Paulson nomination, and I urge the Senate to vote.

The PRESIDING OFFICER. If there is no further debate, the question is,

Will the Senate advise and consent to the nomination of Henry M. Paulson, Jr., of New York, to be Secretary of the Treasury?

The nomination was confirmed.

Mr. FRIST. Mr. President, as our colleagues know, there will be no further votes today and no rollcall votes today. We will be in session a bit longer as we finish the business over the course of the next little bit. When I close, I will have more to say about the schedule for tomorrow and Friday as well.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I ask unanimous consent that the President be immediately notified of the Senate's action.

#### LEGISLATIVE SESSION

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WYDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### OBJECTION TO PROCEEDING TO THE TELECOMMUNICATIONS BILL

Mr. WYDEN. Mr. President, the major telecommunications legislation reported today by the Senate Commerce Committee is badly flawed. The bill makes a number of major changes in the country's telecommunications law, but there is one provision that is nothing more than a license to discriminate. Without a clear policy preserving the neutrality of the Internet and without tough sanctions against those who would discriminate, the Internet will be forever changed for the worse.

This one provision threatens to divide the Internet into technology haves and have-nots. This one provision concentrates even more power in the